6 STANDING COMMITTEE ON COMMUNICATIONS (1996-97)

ELEVENTH LOK SABHA

MINISTRY OF COMMUNICATIONS (DEPARTMENT OF POST)

[Action taken by Government on the Recommendations contained in the First Report (Eleventh Lok Sabha) Standing Committee on Communications on Demands for Grants (1996-97)]

SIXTH REPORT

LOK SABHA SECRETARIAT

NEW DELHI

March, 1997/ Phalguna, 1918 (Saka)

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(DEPARTMENT OF POST)

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Presented to Lok Sabha on 10.3.1997
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COMPOSITION OF STANDING COMMITTEE ON COMMUNICATIONS

(1996-97)

Shri Somnath Chatterjee — *Chairman*

MEMBERS

Lok Sabha

2. Shri K.L. Sharma
3. Shri Harin Pathak
4. Dr. S.N. Jatiya
5. Prof. Rasa Singh Rawat
6. Smt. Sheela Gautam
7. Smt. Bhavna Chikhalia
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21. Shri T. Veera Bhadram
22. Shri R. Devdas
23. Dr. Shafiqur Rehman Barg
24. Shri V.P. Shanmuga Sundram
25. Shri Kotha Palli Subbaryudu

* Appointed as Member w.e.f. 26.2.1997 *vice* Shri M.P. Veerendra Kumar, MP who ceased to be Member of the Committee on his appointment as Minister w.e.f. 20 February, 1997.

26. Shrimati Geeta Mukherjee
27. Shri Budh Sen Patel
28. Shri Keshab Mahanta
29. Shri Joachim Baxla
30. Shri Churchill Alemao

Rajya Sabha

31. Shrimati Veena Verma
32. Shri Iqbal Singh
33. Shri S.S. Ahluwalia
34. Shri Ahmed Patel
35. Shrimati Jayanthi Natarajan
36. Shri Govindram Miri
37. Shri O. Rajagopal
38. Shri Shatrughan Prasad Sinha
39. Shri Narendra Pradhan
40. Dr. Ramendra Kumar Yadav Ravi
41. Shri Md. Salim
42. Shri S. Austin
43. Shri Ish Dutt Yadav
44. Shri Satish Pradhan
*45. Vacant

SECRETARIAT

1.	Dr. A.K. Pandey	—	*Additional Secretary*
2.	Shri J.P. Ratnesh	—	*Joint Secretary*
3.	Shri Ram Autar Ram	—	*Director*
4.	Shri S.K. Sharma	—	*Deputy Secretary*

* Vacancy caused due to retirement of Shri R.K. Karanjia from Rajya Sabha w.e.f. 10 January, 1997.

INTRODUCTION

I, the Chairman of the Standing Committee on Communications (1996-97) having been authorised by the Committee to submit the Report on its behalf, present this Sixth Report, on Action Taken by the Government on the recommendations of the Committee contained in the First Report (Eleventh Lok Sabha)— Demands for Grants (1996-97) relating to Ministry of Communications (Department of Post).

2. The First Report was presented to Lok Sabha on 2 September, 1996 and was also laid in Rajya Sabha the same day. The Government furnished their replies indicating Action Taken on the Recommendations contained in the Report on 18 December, 1996.

3. The Report was considered and adopted by the Committee at its sitting held on 27 February, 1997.

4. For facility of reference and convenience, the observations and recommendations of the Committee have been printed in bold letters in the body of the Report.

5. An analysis of Action Taken by Government on the Recommendations contained in the First Report of Standing Committee on Communications (Eleventh Lok Sabha) is given in Appendix-II.

NEW DELHI;
February 27, 1997
Phalguna 8, 1918 (Saka)

SOMNATH CHATTERJEE,
Chairman,
Standing Committee on Communications.

CHAPTER I

REPORT

This report of the Standing Committee on Communications deals with the action taken by Government on the Recommendations contained in its First Report (Eleventh Lok Sabha) on Demands for Grants (1996-97) relating to the Ministry of Communications (Department of Post).

2. The First Report was presented to Lok Sabha on 2-9-1996 and was also laid on the Table of Rajya Sabha on the same day. It contained 14 observations/recommendations.

3. Action taken notes in respect of all the observations /recommendations contained in the Report have received and categorised as under :

(i) Recommendations/observations which have been accepted by the Government.
Para Nos. 23, 31, 36, 38, 40, 44, & 52 Total-7
Chapter-II

(ii) Recommendations/observations which the Committee does not desire to pursue in view of the reply of the Government.
Para Nos. 22, 25, & 29 Total-3
Chapter-III

(iii) Recommendations/observations in respect of which replies of Government have not been accepted by the Committee and which require reiteration.
Para Nos. 6, 7, 11 & 24 Total-4
Chapter-IV

(iv) Recommendations/observations in respect of which replies are of interim nature. NIL
Chapter-V

4. The Committee will now deal with action taken by government on some of its recommendations.

Modernisation of Postal Services

Recommendations (Para Nos. 6 & 7)

5. The Committee in its First Report had observed that in consonance with the basic objectives of the Eighth Plan to modernise the postal system. The Department of Post had formulated Schemes proposing outlay of Rs. 43.65 crores for expansion of Postal Network, Rs. 271.35 crores for modernisation programme which included upgradation of technology and Rs. 425. 50 crores for asset management for building and staff quarters. However the Planning Commission approved outlay of Rs. 23.65 crores for expansion of Postal Network, Rs. 132.5 crores for upgradation of technology and Rs. 121.35 crores for buildings etc. In view of the lower allocation of funds physical targets for each of these schemes were lowered. The Committee found that the plan allocation during 1996-97 was Rs. 69.71 crores as against Rs. 73.87 crores provided in 1995-96. Which in real terms amounts to much lower allocation considering the escalation that had taken place during the year. Even this reduced targets are not likely to be achieved during the plan period as the achievements are anticipated to be 71 percent in respect of upgradation of technology and 73 percent in respect of postal network . In the case of buildings. Achievements are expected to be 133 percent. But it was on lower allocation of Rs. 121 .35 crores against the projected demand of Rs. 425 crores. The Committee had deplored lower allocations as well as failure to achieve the reduced targets as the Department of Post which is engaged in the Vital sector of infrastructure has been deprived of the much needed funds . The Committee observed that it reflected poorly on implementation of plan and felt that lower allocations and consequent downward revision of physical targets had deprived a large section of people particularly in rural areas of the much needed postal facilities. In fact this vital social sector of the economy was being starved of funds. The Committee had therefore, urged that the postal service should not be viewed as commercial service but as social service like health, education and welfare. It should, therefore, be allocated funds according to approved plans.

6. The Department of post in its action taken notes have stated that the paras only contain a statement of facts about outlay for the modernisation of the Department during the 8th Plan. They have also stated that nature of the recommendations does not call for any action by the Department.

7. The Committee does not accept the statement that no action is called for by the Department. The response of the Department shows its unconcern about its duties and obligations and failure to make necessary efforts to improve its functioning. In its Report the Committee had pointed out that even the reduced targets of the Plan were not going to be achieved during the Plan period as the anticipated achievements were 71 percent in respect of upgradation of technology and 73 percent in respect of postal network and that the Department of Post which is engaged in the vital sector of infrastructure has been deprived of the much needed funds. The Committee desire, the Department to pursue the recommendations of the Committee with the Ministry of Finance/Planning Commission in right earnest and also to gear up the machinery in the Department for achieving better results in the final year of the plan.

Outlay for modernisation of DOP

Recommendation (Para No. 11)

8. The Committee in the earlier Report had observed that lower allocation of Rs. 85 crores against the projected Plan Outlay of Rs. 148.84 crores for the year 1996-97 adversely affected implementation of the Plan Programme. The schemes which had suffered the most were vital to achieve the plan targets *viz.* Expansion of Postal Network Upgradation of technology and buildings for post offices and staff quarters.

9. The Department of Post in its Action Taken Note has stated that the para only contains statement of facts about outlay for the modernisation of Department during 8th Plan and no action is called for.

10. The Committee is not satisfied with the reply of Department of Post that no action is called for which shows unconcern on its part. The Committee expected the Department to take up the matter with the Ministry of Finance/Planning Commission so that adequate funds are received and the implementation of vital schemes of upgradation of technology, buildings for post offices and staff quarters are not adversely affected.

Panchayat Sanchar Sewa Kendras Scheme

Recommendation (Para No. 24)

11. The Committee in its First Report had observed that the Plan target of 2500 Panchayat Sanchar Sewa Kendras was not likely to be achieved. Only

500 Kendras were proposed in 1995-96 and another 250 in the year 1996-97 which was the final year of the Plan and that there would be a shortfall of at least 1750 Kendras.

12. The Department of Post in its Action Taken note has stated that Panchayat Sanchar Sewa Kendra Scheme was formulated in the year 1994-95 as an alternative scheme to provide basic postal facilities to Gram Panchayat villages and that this scheme was got approved at the end of the financial year 1995-96. Hence the scheme could not be launched during 1994-95 and a target of 500 Panchayat Sanchar Sewa Kendras (PSSKs) could not be achieved during 1994-95. A target of 1000 Panchayat Sanchar Sewa Kendras was approved for the year 1995-96 by the Planning Commission. Subsequently, it was reduced to opening of 500 Kendras due to delay in the finalisation of the scheme. It has been further stated that a revised target of opening of 500 Kendras was fixed under Annual Plan 1995-96. Out of this, 497 Kendras were Sanctioned during the year. Based on the performance of already opened Kendras, a target for opening of 250 Kendras has been approved by the Planning Commission for the year 1996-97.

13. The Committee is concerned to note that Panchayat Sanchar Sewa Kendras (PSSKs) scheme, which has been formulated as substitute of the EDBOs, being inexpensive could not make much headway during the 8th Plan. Firstly the scheme was taken up for implementation only at the fag end of the year 1995-96 and for that reason target of opening 1000 Panchayat Sanchar Sewa Kendras which was earlier approved by the Planning Commission was reduced to 500 Kendras only. Secondly a meagre target of 250 Kendras has been approved for the year 1996-97 by the Planning Commission keeping in view performance of already opened Kendras. Obviously, performance of the Kendras already opened is not that much encouraging which could justify enhancement of targets in subsequent years. It is a matter of grave concern. The Committee will like to be apprised of the constraints and shortcomings noticed in the functioning of PSSKs and the remedial action taken by the Department of Post in this regard.

Requirement of Funds for EDBOs and DSOs

Recommendation (Para No. 25)

14. In view of the lower allocation of Rs. 5 crores against the estimated

requirement of Rs. 7.86 crores to meet recurring cost on new EDBOs and DSOs and funds requirement for opening of 80 EDBOs and 150 DSOs having been estimated to be Rs. 7.86 crores for the year 1996-97. The Committee in its earlier Report had apprehended that the targets for 1996-97 was not likely to be accomplished.

15. The Department of Post have stated in its Action Taken Notes that the reduced 8th Plan target in respect of sanctioning of extra Departmental Branch Post Offices (EDBOs) has already been achieved. As against the 8th Plan target of 1440 EDBOs, 1481 EDBOs have been sanctioned. Against the target of 650 DSOs, 372 DSOs have already been sanctioned while 141 cases have been referred to the Ministry of Finance for sanction. It has also been stated that for sanctioning of Departmental Sub-Post Offices (DSOs), Department has to seek approval of the Ministry of Finance for new creation of Departmental posts required for these DSOs. The Committee has further been informed that the total of 8.42 crores has been sought in Revised Estimates for this purpose.

16. The Committee would like to be apprised of the progress made in sanctioning of 141 DSOs and also of the creation of departmental posts to man the new DSOs.

Perspective Plan

Recommendation (Para No. 40)

17. The Committee had earlier desired that utmost efforts should be made for early formulation of the Perspective Plan with a view to gauging the magnitude of the problem and the resources required to be mobilised as well as the formulation of the desired schemes.

The Department of Post in its Action Taken Note has stated that the preparation of the Perspective Plan is under finalisation.

18. The Committee would like the Department of Post to finalise the Perspective Plan at the earliest. The Committee may also be apprised of the Plan.

National Postal Policy

Recommendation (Para No. 44)

19. The Committee in its earlier Report had desired that formulation of National Postal Policy should be taken up in right earnest and process involved would be expedited.

20. The Department of Post in its Action Taken Notes has stated that National Postal Policy has not been finalised and efforts are being made to finalise it early with regard to the relevant issue.

21. The Committee trusts that the Department would finalise the National Postal Policy Scheme without further loss of time.

CHAPTER II

RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY GOVERNMENT

Recommendation (Para No. 23)

It is further perturbing to note that in 1994-95 against the target of 80 EDBOs and 150 DSOs only 4 EDBOs and 31 DSOSs were opened thereby achieving the targets by 0.5 percent and 20 percent respectively. Supply of Letter Boxes also fell short of the targets as only 42175 were suplied against the target of 56000 Letter Boxes which is deplorable.

Action Taken by Department

1. So far as sanctioning of new post offices is concerned, the position indicated is factually correct. The reasons were that the powers of sanctioning posts were not with the Department of Post. Out of 77 proposals for EDBOs and 57 for DSOs sent in 1994-95, none were approved by the Ministry of Finance. It may be mentioned, however, that during the said year, proposals for opening of more than the targetted number of post offices were processed in the Planning Branch. Approval for 600 ED posts was received recently from the Ministry of Finance. On the basis of this the number of EDBOs sanctioned during the 8th Plan period comes to 1481 as against a target of 1440. In respect of DSOs, a total of 372 have been sanctioned and 141 cases have been referred to the Ministry of Finance for sanction as against the target of 650 DSOs during the 8th Plan period.

2. During the 8th Five Year Plan total 84424 letter boxes were to be supplied to cover every village having population of 500 and above.

3. This target has been fulfilled by 1995-96 as per details given below and the short supply of 13825 letter boxes during 1994-95 was covered during the year 1995-96.

Year		No. of Letter Boxes supplied
1992-93		3161
1993-94		10188
1994-95		42175
1995-96		28900
	Total	84424

Recommendation (Para No. 31)

The Committee note that Government has accepted and implemented one Interim Roport of Justice Talwar Committee relating to payment of 10 per cent interim relief. Out of the 3 Interim Reports given by it, the other two interim reports regarding compensation for ED mail carriers detained for more than 5 hours of normal duty and merger of 97 per cent of DA with basic quantum of Ex gratia gratuity are still under consideration. The Committee will like these recommendations to be processed expeditiously.

Action Taken by Department

Details of Interim Recommendations received from Justice Talwar Committee and the follow up action in respect of each is as follows:

Recommendations	*Status*
1. Grant of Interim Relief Dt. 7-9-95 equal to 10% of their basic pay subject to a minimum of Rs. 50/- to ED Agents.	Implemented on 21-9-95.
2. Merger of 97% of DA with allowances and enhancement of the quantum of Ex-gratia gratuity from Rs. 6000/- to 15000/ dt. 6-3-96.	Recommendation accepted by the Department. Is pending with Min. of Finance.
3. Recommended grant of compensation to Extra Departmental Mail Carriers detained beyond 5 hrs. of duty at the rate of Rs. 4/- per hr./month for a maximum of two hrs./per day dated 6.3.96.	Implemented on 29.10.96 by payment of compensation for detention as follows: (a) Upto 30 Minutes: Nil (b) 31mts. to 90 mts: One hr. (c) 91 mts. & above: Two hrs.
4. Grant of 2nd Interim Relief dated 10.9.96 equal of 10% of their basic pay subject to minimum of Rs. 50/-	Implemented on 18.10.96.

Recommendation (Para No. 36)

The Committee is distressed to find that 8th Plan target of transforma-

tion of postal services into a modern one through induction of appropriate technology is likely to be achieved only partially. The Department had planned to instal 500 PC based multipurpose counter machines in post offices. So far only 2300 machines have been installed and 1900 more are expected during current year. There could thus be a shortfall of 800 machines. The reasons for slow progress are stated to be *inter-alia* time required to formulate the necessary software; inadequate response from vendors etc. and increase in the prices. The Committee are perplexed to find that DOP ventured on such a scheme of critical importancc without making in-depth studies. Had the scheme been taken after detailed scrutiny about the formulation of software required and vendors response progress would not have been sluggish. The Committee expect that utmost efforts would be made to achieve the target set for the year 1996-97 of 1900 PC counter machines.

Action Taken by Department

During the 8th Five year Plan period the Department planned to instal 5000 PC based multipurpose counter machines in post offices. As on 30-03-1996,2300 PC based computer machines have been installed and during the current year 1900 more such machines are planned to be installed.

As on 30-11-1996, 2600 such machines have been installed in 800 Post Ofices in the country leaving a balance of 1600 machines during the current plan period 1996-97.

The Department formulated the project of counter computerisation after making careful appraisal of ground situation existing in the Post Offices. Before formulating the physical targets during the 8th Five Year Plan period (1992-97) the Department implemented a pilot project during 1991 in selected six Circles where 102 machines were installed in 22 selected main Post Offices. Based on the experience gained through the pilot Project, the Department formulatled the plan proposal for the PC based counter machines for the plan period 1992-97.

The main reason for slow implementation of the project during the early phase of the plan was on account of inadequate response from the vendors. The vendors took considerable time in supplying the hardware. Some of the reputed firms like Hindustan Computers Limited and ICIM failed to live upto their commitment and backed out of their contractual obligation.

The application software designed initially had to be repeatedly tested and modified to meet the specific customer and department's operational requirement. This was also considered essential in view of the security of the data and counter transaction.

Out of the 1600 machines due to be installed this year, 100 machines have already been delivered at the respective sites and which are under installation while remaining 1500 machines are expected to be delivered & installed before 31st March , 1997.

Recommendation (Para No. 38)

The Committee is distressed to note that sufficient funds have not been allocated under the Plan for construction of quarters for postal employees which the DOP has proposed an outlay of Rs. 425 crores for construction of departmental buildings and staff quarters, the Planning Commission approved an outlay of Rs. 121.35 crores. The Department intend to construct 1414 staff quarters during the Plan period which the Committee feel is grossly inadequate although these are much more than the Plan target. In view of the very low rate of satisfaction in respect of housing which is 7.49 per cent as compared to about 20 per cent in other Departments, the Committee strongly recommend that larger number of quarters should be constructed and adequate funds allotted for this purpose. The Committee feel that rate of satisfaction in respect of housing should be almost at per with that in other Government Departments.

Action Taken by Department

The factual information given in the above para is correct. During the first 4 years of the 8th Five Year Plan, construction of 1037 staff quarters have been completed, Besides, as on 31.3.96, 1271 staff quarters were under construction. Efforts are being made to procure more funds in order to enhance the number of quarters to be constructed thereby to achieve higher rate of satisfaction.

Recommendation (Para No. 40)

The Committee note that DOP has initiated formulation of perspective

plan for the Department covering period upto 2010 AD and the exercise has not yet been completed. The Committee desire that utmost efforts should be made for early formulation of the Perspective Plan with a view to gauge the magnitude of the problem and the resources required to be mobilised as well as the formulation of the desired schemes.

Action Taken by Department

The preparation of the Perspective Plan is under finalisation.

Comments of the Committee

Please *see* Chapter I (Para No. 18)

Recommendation (Para No. 44)

The Committee trust that formulation of National Postal Policy will be taken up in right earnest and process involved would be expedited.

Action Taken by Department

The National Postal Policy has not yet been finalised Efforts are being made to finalise it early with due regard to the relevant issues.

Comments of the Committee

Please *See* Chapter I (Para No. 21)

Recommendation (Para No. 52)

The Committee note that operations of DOP during the year 1995-96 resulted in a deficit of Rs. 659.08 crores (Provisional) against Rs. 424.62 crores (RE). During current year deficit is expected to go upto Rs. 612.59 crores (BE). The reasons for ever increasing deficit are stated to be *inter-alia* incompatibility of lower rate of tariff, inadequate realisation of Agency charges in respect of activities performed on behalf of other Departments/higher service charges paid to other Government Departments/agencies and payment of overtime. The Committee will like DOP to take up the matter of inadequate agency charges and higher service charges paid with the concerned

Government Departments to bring them in relation to the services rendered/ cost incurred. Since the rates have not been revised for pretty long time, Department of Post has a genuine grievance in this regard. The Committee trust that other Departments/agencies availing services of the department would respond positively to the proposals made by DOP in this regard.

Action Taken by Department

The action taken by the Department on the observations of the Standing Committee is as follows:-

For revising the Railway Pension Payment Charges on the basis of Costing done by the Department of Post, the matter has been taken up with the Railway authorities again.

Revenue Stamps - To realise commission @ 15% on the sale of Revenue Stamps, matter has been taken up with the State Governments, as per the directions of the Ministry of Finance. This has however not produced any results. Ministry of Finance have now agreed to take up this issue at their level.

To enhance the realisation from Custom Duty to 10% tripartrite talks are going on among Customs authorities, Deptt. of Post and Ministry of Finance.

To realise accumulated arrear towards rental etc. for occupying Postal Buildings by the Department of Telecom., the matter has been taken up with the DOT through Secretary (Post).

To enhance remuneration on Saving Bank Savings certificates and Postal Life Insurance, matter has been taken up with Ministry of Finance.

To realise remuneration on Mahila Samridhi Yozna, matter has been taken up with Department of Welfare and Child Development.

To enhance the agency charges on Collection of Telephone Bills and Telegrams handled, the matter has been taken up with the Department of Telecommunications.

To realise adequate charges for Pension Payments on behalf of

Employees Provident Fund, Coal Miners Pension payments and Assam Rifles Pension, the matter has been taken up with respective Departments by Deptt. of Post.

It would be evident that the issues relating to realisation of adequate agency fee etc. has been taken up by the Department of Post with respective Ministries/Departments in the light of the observations of the Standing Committee.

CHAPTER III

RECOMMENDATIONS/OBSERVATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF GOVERNMENT REPLIES

Recommendation (Para No. 22)

One of the basic objectives of the 8th Plan is to expand postal network to the rural areas not yet having postal facilities by opening Extra Departmental Branch Offices (EDBOs) and upgradation of EDBOs to Departmental Sub Offices (DSOs) and supply of Letter Boxes to rural and tribal areas. The Committee find that of the 2,20,972 Panchayat Villages in the country, 1,10,943 almost half of them have been provided with Post Offices so far. Initially 3000 EDBOs and 500 DSOs were proposed during the plan period. This target was revised upward to 3600 EDBOs and 650 DSOs in 1993-94. However, in 1993-94, on the direction of the Ministry of Finance these targets were again revised downward to 1440 EDBOs and 650 DSOs. The targets laid for 1995-96 and 1996-97 were 80 EDBOs and 150 DSOs each year. The Committee is at loss to understand why the targets were drastically curtailed to less than half of the original target of 3000 EDBOs.

Action Taken by Department

The information given in the para is factually correct. The targets for the last 3 years of the 8th Five Year Plan were curtailed under the directions of Ministry of Finance to reduce the extent of budgetary support.

Recommendation (Para No. 25)

The Committee find that requirement of funds to meet recurring cost on new EDBOs and DSOs and funds required for opening of 80 EDBOs and 150 DSOs is estimated to be Rs. 7.86 crores for the year 1996-97. Against this the funds allocated for this purpose are only Rs. 5 crores. The Committee, therefore, apprehend that the targets for 1996-97 are not likely to be accomplished.

Action Taken by Department

The reduced 8th Plan target in respect of sanctioning of Extra

Departmental Branch Post Offices (EDBOs) has already been achieved. As against the 8th Plan target of 1440 EDBOs, 1481 EDBOs have been sanctioned. Against the target of 650 DSO, 372 DSO have been sanctioned while 141 cases have been referred to the Ministry of Finance for sanction.

With regard to sanctioning of Departmental Sub-Post Offices (DSOs), Department has to seek approval of the Ministry of Finance for new creation of Departmental posts required for these DSOs.

A total of 8.42 crores has been sought in Revised Estimates for this purpose.

Comments of the Committee

Please *see* Chapter I (Para No 16)

Recommendation (Para No. 29)

One of the constraints felt by DOP is that they are not competent to sanction posts for expansion of postal network. Every proposal in this regard is processed by the Ministry of Finance. This process is cumbersome and time consuming resulting in inordinate delays. The Committee find that a proposal for 878 posts of postmen and 88 sorting postmen made as early as 1992 to improve the delivery system has not yet been approved by the Ministry of Finance. While the latter has been seeking clarifications all these years, postal delivery system has been crippled resulting in inordinate avoidable delays more so in rural and backward areas. Not only this, the delay of more than 4 years has been one of the causes for increase in overtime allowance which in turn has been contributing to the deficit of the Department. Besides the sanction for the posts of Postmen, the DOP is also awaiting sanction of 600 EDPOs in the rural areas. The Committee recommend that the matter should be taken up at the highest level with the Ministry of Finance immediately. The Committee may also be apprised of the action taken in this regard.

Action Taken by Department

Approval for creation of 600 ED Posts for opening of 240 Extra Departmental Branch Post Offices and for providing requisite E.D. establishment in Departmental Sub Post Offices under Annual Plan 1994-95,

1995-96 and 1996-97 has been received recently from Ministry of Finance. In the light of this, 176 EDBOs have already been sanctioned.

The constraint mentioned in this para still prevails. With the Ministry of Finance approving creation of 600 ED Posts, these posts are available for opening the targetted number of Extra Departmental Branch are available for opening the targetted number of Extra Departmental Branch Post Offices (EDBOs) and also for the purposes of Departmental Sub Post Offices (DSOs) where these form part of the establishment. Yet, sanction for creation of Departmental posts is required from the Ministry of Finance for opening of Departmental Post Offices. 146 such proposals have been sent to the Ministry of Finance.

The position of targets and achievement in respect of sanctioning of Post Offices during the 8th Five Year Plan is as follows:—

Year	Targets		Post Offices Sanctioned	
	EDBOs	DSOs	EDBOs	DSOs
1992-93	600	100	635	116
1993-94	600	100	667	115
1994-95	80	150	4	31
1995-96	80	150	4	53
1996-97	80	150	171	57
	1440	650	1481	372

CHAPTER IV

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH GOVERNMENT REPLIES HAVE NOT BEEN ACCEPTED BY THE COMMITTEE AND WHICH REQUIRE REITERATION

Recommendation (Para No. 6)

Basic objectives of the Eighth Plan has been to modernise the postal system by injecting necessary technological inputs; introduction of new services based on modern technology and expansion of postal network to cover rural areas not having postal facilities. With these objectives in view the Department of Post formulated Schemes proposing and outlay of Rs. 43.65 crores for expansion of Postal Network, Rs. 271.35 crores for modernisation programme which included upgradation of technology and Rs. 425.50 crores for asset management for buildings and staff quarters. However, the Planning Commission approved outlay of Rs. 23.65 crores for expansion of postal network, Rs. 132.5 crores for upgradation of technology and Rs. 121.35 crores for buildings etc. In view of the lower allocation of funds physical targets for each of these schemes were lowered as has been brought out in the successive paragraphs. In fact the Committee find that the plan allocation during 1996-97 is Rs. 69.71 crores as against Rs. 73.87 crores provided last year which in real terms amounts to much lower allocation if one considers the escalation that has taken place during the year. Even this reduced targets are not likely to be achieved during the plan period as the achievement are anticipated to be 71 per cent in respect of upgradation of technology and 73 per cent in respect of postal network. In the case of buildings achievements are expected to be 133 per cent. But it is no consolation as it is on lower allocation of Rs. 121.35 crores against the projected demand of Rs. 425 crores. It is highly deplorable as the Department of Post which is engaged in the vital sector of infrastructure has been deprived of the much needed funds. Whatever may have been the justification of constraints, it reflects poorly on implementation of Plan. The Committee feel that lower allocations and consequent downward revision of physical targets has deprived a large section of people particularly in rural areas of the much needed postal facilities. In fact this vital social sector of the economy is being starved of funds.

Action Taken by Department

The para only contains a statement of facts about outlay for the modernisation of the Department during 8th Plan. No objection is called for.

Comments of the Committee

Please *see* Chapter I (Para No. 7)

Recommendation (Para No. 7)

The Committee urge that the postal services should not be viewed as commercial service but as social service like health, education and welfare. It should, therefore, be allocated funds according to approved plans.

Action Taken by Department

The nature of the recommendation does not call for any action by the Department.

Comments of the Committee

Please *see* Chapter I (Para No. 7)

Recommendation (Para No. 11)

The Committee find that Department of post had projected a Plan Outlay of Rs. 148.84 crores to Planning Commission for the year 1996-97. However, the Budget Estimates approved and proposed are of the order of Rs. 85 crores. Last year also, the funds approved and allocated were of the order of Rs. 85 crores against the projection of Rs. 150.96 crores made by the Department of Post. The schemes which have suffered the most are vital to achieve the Plan targets *viz.* Expansion of Postal Network, Upgradation of Technology and Buildings for post offices and staff quarters. The outlays on these schemes allocated for the year are Rs.5 crores, Rs. 45.73 crores and Rs. 24 crores respectively. The Department of Post has clearly admitted that lower allocation of funds on these schemes would adversely affect implementation of Departments' Plan Programme. The Committee consider it a retrograde step which is negation of planning.

Action Taken by Department

The para only contains a statement of facts about outlay for the modernisation of the Department during 8th Plan. No action is called for.

Comments of the Committee

Please *see* Chapter I (Para No. 10)

Recommendation (Para No. 24)

The Committee are gravely concerned to note that the Plan target of 2500 Panchayat Sanchar Sewa Kendras is not likely to be achieved. Only 500 Kendras were proposed in 1995-96. Another 250 are proposed for the year 1996-97 which is the final year of the Plan. Thus the Committee find that there would be a shortfall of at least 1750 Kendras. It is highly deplorable. More so in the light of the fact that this scheme has been thought of being inexpensive. It was formulated as a substitute of EDBOs whose target has been drastically curtailed on the advise of Ministry of Finance.

Action Taken by Department

Panchayat Sanchar Sewa Kendras Scheme was formulated in the year 1994-95 as an alternative scheme to provide basic postal facilities to Gram Panchayat villages. Finally this scheme was got approved at the end of the financial year 1995-96. Hence the scheme could not be launched during 1994-95 and a target of 500 Panchayat Sanchar Sewa Kendras (PSSKs) could not be achieved during 1994-95. A target of 1000 Panchayat Sanchar Sewa Kendras was approved for the year 1995-96 by the Planning Commission. Subsequently, it was reduced to opening of 500 Kendras due to delay in the finalisation of the scheme.

Finally, the Panchayat Sanchar Sewa Yojana was introduced as a Pilot Project in the year 1995-96 in the States of Himachal pradesh, Gujarat, Karnataka, Orissa and Uttar Pradesh. A revised target of opening of 500 Kendras was fixed under Annual Plan 1995-96. Out of this, 497 Kendras were sanctioned during the year. Based on the performance of already opened Kendras, a target for opening of 250 Kendras has been approved by the Planning Commission for the year 1996-97.

Comments of the Committee

Please *see* Chapter I (Para No. 13)

CHAPTER V

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH GOVERNMENT HAVE FURNISHED INTERIM REPLIES

— NIL —

NEW DELHI;
February 27, 1997
Phalguna 8, 1918 (Saka)

SOMNATH CHATTERJEE,
Chairman,
Standing Committee on Communications.

APPENDIX I

MINUTES OF THE TWENTY-SECOND SITTING OF THE COMMITTEE ON COMMUNICATIONS (1996-97)

The Committee sat on Thursday, the 27 February, 1997 from 15.00 to 17.00 hrs. in Committee Room 'B', Parliament House Annexe, New Delhi.

PRESENT

Shri Somnath Chatterjee — *Chairman*

MEMBERS

Lok Sabha

2. Shri K.L. Sharma
3. Prof. Rasa Singh Rawat
4. Smt. Sheela Gautam
5. Smt. Bhavna Chikhalia
6. Shri Th. Choaba Singh
7. Shri V.P. Shanmuga Sundram
8. Shrimati Geeta Mukherjee
9. Shri Budh Sen Patel
10. Shri Keshab Mahanta

Rajya Sabha

11. Shrimati Veena Verma
12. Shri Govindram Miri
13. Shri O. Rajagopal
14. Dr. Ramendra Kumar Yadav Ravi
15. Shri Md. Salim
16. Shri Ish Dutt Yadav

SECRETARIAT

1. Shri Ram Autar Ram — *Director*
2. Shri S.K. Sharma — *Deputy Secretary*

2. The Committee took up for consideration Draft Reports on Action Taken by Government on the recommendations contained in the First, Second and Third Reports on Demands for Grants (1996-97) relating to Ministry of Communications (Department of Post & Department of Telecommunications) and Ministry of Information & Broadcasting respectively. The Committee adopted the First and Third Reports relating to Department of Post and Ministry of Information & Broadcasting without any modifications/amendments.

3. * * *

4. Thereafter the Committee authorised the Chairman to finalise and present the Report in both Houses of the Parliament.

The Committee then adjourned.

APPENDIX II

(*Vide* Introduction of Report)

ANALYSIS OF ACTION TAKEN BY GOVERNMENT ON THE FIRST REPORT OF STANDING COMMITTEE ON COMMUNICATIONS (ELEVENTH LOK SABHA)

(i)	Total Number of Recommendations	14
(ii)	Recommendations/observations which have been accepted by Government. Para Nos. 23, 31, 36, 38, 40, 44 & 52	Total 7 50%
(iii)	Recommendations/observations which the Committee does not desire to pursue in view of the reply of the Government. Para Nos. 22, 25 & 29	Total 3 20%
(iv)	Recommendations/observations in respect of which replies of Government have not been accepted by the Committee and which require reiteration Para Nos. 6, 7, 11 & 24	Total 4 30%
(v)	Recommendations/observations in respect of which replies are of interim nature.	Nil Chapter V